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Financial Statements  
and Related Information

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

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Elementary School Activity Funds**

June 30, 2004

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## Independent Auditors' Report



Members of the Board  
Jefferson County Board of Education  
Louisville, Kentucky

We have audited the accompanying combined statement of fiduciary net assets of the Elementary School Activity Funds (the "Activity Funds") of the Jefferson County Board of Education (the "Board") as of June 30, 2004. This combined statement of fiduciary net assets is the responsibility of the Board's management. Our responsibility is to express an opinion on this combined financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined statement of fiduciary net assets is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined statement of fiduciary net assets. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined statement of fiduciary net assets referred to above presents fairly, in all material respects, the net assets of the Elementary School Activity Funds of the Jefferson County Board of Education as of June 30, 2004 in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have issued a report dated September 28, 2004 on our consideration of the Activity Funds' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 and 4 is not a required part of the combined statement of fiduciary net assets, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the combined statement of fiduciary net assets taken as a whole. The combining information, listed in the preceding table of contents on pages 9 through 35, is presented for purposes of additional analysis and is not a required part of the combined statement of fiduciary net assets of the Elementary School Activity Funds of the Jefferson County Board of Education. This information has been subjected to the auditing procedures applied in our audit of the combined statement of fiduciary net assets and, in our opinion, is fairly stated in all material respects in relation to the combined statement of fiduciary net assets taken as a whole.

*Stothman & Copay PSC*

Louisville, Kentucky  
September 28, 2004

## Management's Discussion and Analysis

### **Jefferson County Board of Education Elementary School Activity Funds**

June 30, 2004

The management team of the Jefferson County Board of Education (the "Board") presents this discussion and analysis of the Elementary School Activity Funds (the "Activity Funds") for the fiscal year ended June 30, 2004. Please read it in conjunction with the Activity Funds' financial statement which is on page 5.

#### **Government Structure**

The eighty-seven elementary schools sponsor programs to supplement the activities provided by the Board. These supplemental activities are accounted for in various funds categorized by the particular activity or group involved. The Board prescribes policies for the supervision and administration of the Activity Funds, and generally has custodial responsibility over these funds. Such custodial responsibility is mandated by the Kentucky Department of Education.

#### **Basic Financial Statements**

This financial report includes the combined statement of fiduciary net assets and combining statements of fiduciary net assets and cash receipts and disbursements for all eighty-seven elementary schools. The independent auditors' report on this information precedes this Management's Discussion and Analysis.

The Activity Funds of the Jefferson County Board of Education are being presented as agency funds in accordance with Governmental Accounting Standards Board Opinion No. 34, *"Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments"* and related standards.

#### **Financial Highlights**

Total assets of all Activity Funds amounted to \$1,577,398 at June 30, 2004, consisting primarily of cash and temporary cash investments totaling \$1,237,502. As of June 30, 2003, total assets of the Activity Funds were \$1,518,852, of which cash and temporary cash investments amounted \$1,177,380.

Elementary schools generate receipts for the Activity Funds primarily from athletic events admission, fund raising projects and donations, and allocations from the Board. Cash receipts of the Activity Funds amounted to \$6,713,084 during the fiscal year ended June 30, 2004, which reflects an increase over the prior year's cash receipts of \$6,358,295. Disbursements by the Activity Funds amounted to \$6,621,006 and \$6,405,145 during the fiscal years ended June 30, 2004 and 2003, respectively.

Funding for the Activity Funds is generally dependent upon the fund raising ability of the students, parents and others in the elementary schools, and the success of other programs. Continuation of the various activities in each elementary school is predicated upon the students, parents and others to raise funds, upon the students' intent to continue their activities, and upon the Board's continue support of these activities.

Continued

Management's Discussion and Analysis--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

**Contacting the Jefferson County Board of Education Financial Management**

This financial report is designed to provide a general overview of the finances of the Jefferson County Board of Education Elementary School Activity Funds and to show management's accountability for these funds. If you have questions about this report or need additional information, contact the Chief Financial Officer of the Jefferson County Board of Education, P. O. Box 34020, Louisville, Kentucky 40232-3674.

Combined Statement of Fiduciary Net Assets

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Agency Funds</b>
<b>Assets</b>	
Cash	\$ 1,168,510
Temporary cash investments	68,992
Accounts receivable	39,008
Accrued interest receivable	56
Due from Jefferson County Board of Education	146,921
Inventory	153,911
<b>Total Assets</b>	<b>\$ 1,577,398</b>
<b>Liabilities</b>	
Accounts payable	\$ 77,501
Due to Jefferson County Board of Education	9,833
Due to student groups	1,490,064
<b>Total Liabilities</b>	<b>\$ 1,577,398</b>

See Notes to the Combined Statement of Fiduciary Net Assets

Notes to Combined Statement of Fiduciary Net Assets

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

**Note A--Fund Structure and Summary of Significant Accounting Policies**

Fund Structure--The Jefferson County Board of Education (the "Board") Elementary School Activity Funds (the "Activity Funds") provide funding for the programs in eighty-seven elementary schools, special educational and other related facilities for Board sponsored programs and to supplement the activities provided by the Board. The Board prescribes policies for the supervision and administration of the Activity Funds, which constitute a component unit of the Board, in accordance with the requirements of the Kentucky Department of Education (the "Department") as set forth in its publication, "A Uniform Program of Accounting for School Activity Funds." Salaries for the treasurers of Activity Funds and other administrative support are paid by the Board and recorded in the Board's General Fund.

Elementary schools generate revenue for the Activity Funds primarily from allocations from the Board, athletic event admissions, fund raising projects and donations.

Basis of Accounting--The financial statements of the Activity Funds have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The combined statement of fiduciary net assets was prepared in accordance with GASB No. 34, *"Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments"* and related standards.

In the preparation of the combined statement of fiduciary net assets for the Activity Funds, the Board has elected to apply all applicable GASB pronouncements as well as Financial Accountings Standards Board pronouncements and Accounting Principle Board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The Board has further elected not to apply FASB pronouncements issued after November 30, 1989.

The Activity Funds are fiduciary/agency funds of the Board. For financial purposes, the accounting treatment applied to a fund is determined by its measurement focus. All fiduciary/agency funds are accounted for by using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included in the combined statement of fiduciary net assets.

Inventory--Inventory, consisting primarily of bookstore supplies and vending machine supplies, is stated at the lower of cost (using the first-in, first-out method) or market.

Use of Estimates--The preparation of the combined statement of fiduciary net assets requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of this financial statement. Actual results could differ from those estimates.



Notes to Combined Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

**Note B--Cash and Temporary Cash Investments**

Temporary cash investments consist of certificates of deposit at various financial institutions located in Jefferson County, Kentucky, with various maturity dates and rates of interest. Such temporary cash investments are stated at cost, which approximates their market value. Accrued interest receivable is shown in a separate caption on the combined statement of fiduciary net assets.

All cash deposits and temporary cash investments of the Activity Funds are covered by depositor insurance provided by the Federal Deposit Insurance Corporation ("FDIC") of up to \$100,000 per depositor. None of the elementary schools had cash deposits and temporary cash investments in excess of the FDIC insurance coverage as of June 30, 2004.

As additional security, each of the various financial institutions holding cash deposits and temporary cash investments of the Board have pledged securities (in the name of the Jefferson County Board of Education) covering such deposits and investments.

Temporary cash investment activity during the year ended June 30, 2004 is summarized as follows:

	<b>Temporary Cash Investments July 1, 2003</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Temporary Cash Investments June 30, 2004</b>
Auburndale Elementary	\$ 5,000			\$ 5,000
Brandeis Elementary	5,000			5,000
Garvin H. Cochran Elementary	5,000			5,000
Goldsmith Elementary	2,992			2,992
Hartstern Elementary	20,000			20,000
Klondike Lane Elementary	10,000			10,000
Portland Elementary	10,000			10,000
Roosevelt Perry Elementary	5,000	\$ (5,000)		
Smyrna Elementary	6,000			6,000
Watterson Elementary	5,000			5,000
Zachary Taylor Elementary	26,956	(26,956)		
	<u>\$ 100,948</u>	<u>\$ (31,956)</u>	<u>\$</u>	<u>\$ 68,992</u>

Notes to Combined Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

**Note C--Due From Jefferson County Board of Education**

Amounts due from the Board consist primarily of reimbursements of costs and expenses incurred by the elementary schools. These amounts are usually repaid by the Board promptly.

The amounts due to the Board consist primarily of supplies and services provided by the Board to the various schools. These amounts are usually reimbursed to the Board promptly.

**Note D--Future Funding**

Funding for the Activity Funds is generally dependent upon the fund raising ability of the students, parents and others in the elementary schools and the success of the other programs. Continuation of the various activities in each elementary school is predicated upon the ability of students, parents and others to raise funds, the students' intent to continue their activities, and upon the Board's continued support of these activities.

## Combining Information

Combining Statement of Fiduciary Net Assets

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Total</b>	<b>Atkinson Elementary School</b>	<b>Auburndale Elementary School</b>	<b>Audubon Traditional Elementary School</b>
<b>Assets</b>				
Cash	\$ 1,168,510	\$ 10,829	\$ 13,526	\$ 9,715
Temporary cash investments	68,992		5,000	
Accounts receivable	39,008			
Accrued interest receivable	56			
Due from Jefferson County Board of Education	146,921		464	146
Inventory	153,911	711	700	5,619
<b>Total Assets</b>	<b>\$ 1,577,398</b>	<b>\$ 11,540</b>	<b>\$ 19,690</b>	<b>\$ 15,480</b>
<b>Liabilities</b>				
Accounts payable	\$ 77,501		\$ 1,143	\$ 456
Due to Jefferson County Board of Education	9,833			
Due to students groups	1,490,064	\$ 11,540	18,547	15,024
<b>Total Liabilities</b>	<b>\$ 1,577,398</b>	<b>\$ 11,540</b>	<b>\$ 19,690</b>	<b>\$ 15,480</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Bates Elementary School</b>	<b>Blake Elementary School</b>	<b>Bloom Elementary School</b>	<b>Blue Lick Elementary School</b>
<b>Assets</b>				
Cash	\$ 29,622	\$ 8,446	\$ 26,068	\$ 8,766
Temporary cash investments				
Accounts receivable	888		250	1,292
Accrued interest receivable				
Due from Jefferson County Board of Education	1,588	296		
Inventory	922	889	1,027	437
<b>Total Assets</b>	<b>\$ 33,020</b>	<b>\$ 9,631</b>	<b>\$ 27,345</b>	<b>\$ 10,495</b>
<b>Liabilities</b>				
Accounts payable	\$ 165		\$ 337	\$ 508
Due to Jefferson County Board of Education	24			393
Due to students groups	32,831	\$ 9,631	27,008	9,594
<b>Total Liabilities</b>	<b>\$ 33,020</b>	<b>\$ 9,631</b>	<b>\$ 27,345</b>	<b>\$ 10,495</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Bowen Elementary School</b>	<b>Brandeis Elementary School</b>	<b>Breckinridge Franklin Elementary School</b>	<b>Byck Elementary School</b>
<b>Assets</b>				
Cash	\$ 4,294	\$ 13,312	\$ 13,367	\$ 9,970
Temporary cash investments		5,000		
Accounts receivable		2,862	80	255
Accrued interest receivable				
Due from Jefferson County Board of Education				
Inventory	500	778	541	929
<b>Total Assets</b>	<u><u>\$ 4,794</u></u>	<u><u>\$ 21,952</u></u>	<u><u>\$ 13,988</u></u>	<u><u>\$ 11,154</u></u>
<b>Liabilities</b>				
Accounts payable	\$ 65	\$ 236	\$ 262	\$ 133
Due to Jefferson County Board of Education		155		17
Due to students groups	4,729	21,561	13,726	11,004
<b>Total Liabilities</b>	<u><u>\$ 4,794</u></u>	<u><u>\$ 21,952</u></u>	<u><u>\$ 13,988</u></u>	<u><u>\$ 11,154</u></u>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Camp Taylor Elementary School</b>	<b>Cane Run Elementary School</b>	<b>Carter Traditional Elementary School</b>	<b>Malcolm B. Chancey, Jr. Elementary School</b>
<b>Assets</b>				
Cash	\$ 10,473	\$ 10,044	\$ 28,190	\$ 9,331
Temporary cash investments				
Accounts receivable			1,122	226
Accrued interest receivable				
Due from Jefferson County Board of Education	1,941	427	50	4,175
Inventory	1,263	972	9,835	1,819
<b>Total Assets</b>	<b>\$ 13,677</b>	<b>\$ 11,443</b>	<b>\$ 39,197</b>	<b>\$ 15,551</b>
<b>Liabilities</b>				
Accounts payable	\$ 282	\$ 94	\$ 1,883	\$ 828
Due to Jefferson County Board of Education	137		3	4
Due to students groups	13,258	11,349	37,311	14,719
<b>Total Liabilities</b>	<b>\$ 13,677</b>	<b>\$ 11,443</b>	<b>\$ 39,197</b>	<b>\$ 15,551</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Chenoweth Elementary School</b>	<b>Garvin H. Cochran Elementary School</b>	<b>Garland S. Cochrane Elementary School</b>	<b>Coleridge Taylor Elementary School</b>
<b>Assets</b>				
Cash	\$ 18,238	\$ 13,177	\$ 8,865	\$ 19,593
Temporary cash investments		5,000		
Accounts receivable	85			
Accrued interest receivable				
Due from Jefferson County Board of Education		318	3,175	14,801
Inventory	1,304	997	993	1,397
<b>Total Assets</b>	<u><u>\$ 19,627</u></u>	<u><u>\$ 19,492</u></u>	<u><u>\$ 13,033</u></u>	<u><u>\$ 35,791</u></u>
<b>Liabilities</b>				
Accounts payable		\$ 162	\$ 733	\$ 10,203
Due to Jefferson County Board of Education				
Due to students groups	<u>\$ 19,627</u>	<u>19,330</u>	<u>12,300</u>	<u>25,588</u>
<b>Total Liabilities</b>	<u><u>\$ 19,627</u></u>	<u><u>\$ 19,492</u></u>	<u><u>\$ 13,033</u></u>	<u><u>\$ 35,791</u></u>

Continued



Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Coral Ridge Elementary School</b>	<b>Crums Lane Elementary School</b>	<b>Dixie Elementary School</b>	<b>Dunn Elementary School</b>
<b>Assets</b>				
Cash	\$ 24,272	\$ 5,689	\$ 5,442	\$ 30,989
Temporary cash investments				
Accounts receivable				1,819
Accrued interest receivable				
Due from Jefferson County Board of Education	3,863		5,629	210
Inventory	1,330	378	853	6,103
<b>Total Assets</b>	<u><u>\$ 29,465</u></u>	<u><u>\$ 6,067</u></u>	<u><u>\$ 11,924</u></u>	<u><u>\$ 39,121</u></u>
<b>Liabilities</b>				
Accounts payable			\$ 1,188	\$ 569
Due to Jefferson County Board of Education				
Due to students groups	<u>\$ 29,465</u>	<u>\$ 6,067</u>	<u>10,736</u>	<u>38,552</u>
<b>Total Liabilities</b>	<u><u>\$ 29,465</u></u>	<u><u>\$ 6,067</u></u>	<u><u>\$ 11,924</u></u>	<u><u>\$ 39,121</u></u>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Eisenhower Elementary School</b>	<b>Engelhard Elementary School</b>	<b>Fairdale Elementary School</b>	<b>Fern Creek Elementary School</b>
<b>Assets</b>				
Cash	\$ 12,672	\$ 34,873	\$ 27,898	\$ 9,973
Temporary cash investments				
Accounts receivable	545			
Accrued interest receivable				
Due from Jefferson County Board of Education		200	910	5,040
Inventory	1,100	559	5,945	1,592
<b>Total Assets</b>	<b>\$ 14,317</b>	<b>\$ 35,632</b>	<b>\$ 34,753</b>	<b>\$ 16,605</b>
<b>Liabilities</b>				
Accounts payable	\$ 162	\$ 222	\$ 423	\$ 1,502
Due to Jefferson County Board of Education	483		11	
Due to students groups	13,672	35,410	34,319	15,103
<b>Total Liabilities</b>	<b>\$ 14,317</b>	<b>\$ 35,632</b>	<b>\$ 34,753</b>	<b>\$ 16,605</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Field Elementary School</b>	<b>Foster Academy</b>	<b>Frayser Elementary School</b>	<b>Gilmore Lane Elementary School</b>
<b>Assets</b>				
Cash	\$ 8,037	\$ 5,618	\$ 5,056	\$ 19,786
Temporary cash investments				
Accounts receivable				15
Accrued interest receivable				
Due from Jefferson County Board of Education	982	2,899	400	
Inventory	809	566	1,227	416
<b>Total Assets</b>	<b>\$ 9,828</b>	<b>\$ 9,083</b>	<b>\$ 6,683</b>	<b>\$ 20,217</b>
<b>Liabilities</b>				
Accounts payable	\$ 50	\$ 459	\$ 535	\$ 123
Due to Jefferson County Board of Education		39		
Due to students groups	9,778	8,585	6,148	20,094
<b>Total Liabilities</b>	<b>\$ 9,828</b>	<b>\$ 9,083</b>	<b>\$ 6,683</b>	<b>\$ 20,217</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Goldsmith Elementary School</b>	<b>Greathouse Shryrock Traditional Elementary School</b>	<b>Greenwood Elementary School</b>	<b>Gutermuth Elementary School</b>
<b>Assets</b>				
Cash	\$ 5,396	\$ 8,819	\$ 25,621	\$ 14,271
Temporary cash investments	2,992			
Accounts receivable	16	7,127		25
Accrued interest receivable				
Due from Jefferson County Board of Education	1,642		337	517
Inventory	420	4,619	3,138	162
<b>Total Assets</b>	<b>\$ 10,466</b>	<b>\$ 20,565</b>	<b>\$ 29,096</b>	<b>\$ 14,975</b>
<b>Liabilities</b>				
Accounts payable	\$ 343	\$ 5,038		\$ 131
Due to Jefferson County Board of Education		122		
Due to students groups	10,123	15,405	\$ 29,096	14,844
<b>Total Liabilities</b>	<b>\$ 10,466</b>	<b>\$ 20,565</b>	<b>\$ 29,096</b>	<b>\$ 14,975</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Hartstern Elementary School</b>	<b>Hawthorne Elementary School</b>	<b>Hazelwood Elementary School</b>	<b>Hite Elementary School</b>
<b>Assets</b>				
Cash	\$ 6,560	\$ 21,736	\$ 5,474	\$ 21,532
Temporary cash investments	20,000			
Accounts receivable	149		61	2,045
Accrued interest receivable	1			
Due from Jefferson County Board of Education	2,200	161		
Inventory	993	443	382	492
<b>Total Assets</b>	<b>\$ 29,903</b>	<b>\$ 22,340</b>	<b>\$ 5,917</b>	<b>\$ 24,069</b>
<b>Liabilities</b>				
Accounts payable	\$ 149	\$ 1,620		\$ 492
Due to Jefferson County Board of Education				
Due to students groups	29,754	20,720	\$ 5,917	23,577
<b>Total Liabilities</b>	<b>\$ 29,903</b>	<b>\$ 22,340</b>	<b>\$ 5,917</b>	<b>\$ 24,069</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Indian Trail Elementary School</b>	<b>Jacob Elementary School</b>	<b>Jeffersontown Elementary School</b>	<b>Johnsontown Road Elementary School</b>
<b>Assets</b>				
Cash	\$ 30,379	\$ 8,874	\$ 5,845	\$ 14,419
Temporary cash investments				
Accounts receivable	18		140	12
Accrued interest receivable				
Due from Jefferson County Board of Education	446	627	687	1,092
Inventory	1,341	2,161	404	3,130
<b>Total Assets</b>	<u><u>\$ 32,184</u></u>	<u><u>\$ 11,662</u></u>	<u><u>\$ 7,076</u></u>	<u><u>\$ 18,653</u></u>
<b>Liabilities</b>				
Accounts payable	\$ 736	\$ 2,884	\$ 397	\$ 327
Due to Jefferson County Board of Education		922		
Due to students groups	31,448	7,856	6,679	18,326
<b>Total Liabilities</b>	<u><u>\$ 32,184</u></u>	<u><u>\$ 11,662</u></u>	<u><u>\$ 7,076</u></u>	<u><u>\$ 18,653</u></u>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>John F. Kennedy Montessori Elementary School</b>	<b>Kenwood Elementary School</b>	<b>Kerrick Elementary School</b>	<b>King Elementary School</b>
<b>Assets</b>				
Cash	\$ 2,353	\$ 7,881	\$ 6,139	\$ 7,089
Temporary cash investments				
Accounts receivable	2,375			93
Accrued interest receivable				
Due from Jefferson County Board of Education	1,250	4,545		5,565
Inventory	<u>2,673</u>	<u>2,168</u>	<u>1,511</u>	<u>2,194</u>
<b>Total Assets</b>	<u><u>\$ 8,651</u></u>	<u><u>\$ 14,594</u></u>	<u><u>\$ 7,650</u></u>	<u><u>\$ 14,941</u></u>
<b>Liabilities</b>				
Accounts payable	\$ 758	\$ 393	\$ 109	\$ 2,051
Due to Jefferson County Board of Education		140		
Due to students groups	<u>7,893</u>	<u>14,061</u>	<u>7,541</u>	<u>12,890</u>
<b>Total Liabilities</b>	<u><u>\$ 8,651</u></u>	<u><u>\$ 14,594</u></u>	<u><u>\$ 7,650</u></u>	<u><u>\$ 14,941</u></u>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Klondike Lane Elementary School</b>	<b>Laukhuf Elementary School</b>	<b>Layne Elementary School</b>	<b>Lincoln Elementary School</b>
<b>Assets</b>				
Cash	\$ 15,908	\$ 12,271	\$ 16,021	\$ 3,963
Temporary cash investments	10,000			
Accounts receivable	726		370	68
Accrued interest receivable				
Due from Jefferson County Board of Education				3,880
Inventory	1,137	493	520	4,770
<b>Total Assets</b>	<b>\$ 27,771</b>	<b>\$ 12,764</b>	<b>\$ 16,911</b>	<b>\$ 12,681</b>
<b>Liabilities</b>				
Accounts payable	\$ 455		\$ 1,109	\$ 293
Due to Jefferson County Board of Education				
Due to students groups	27,316	\$ 12,764	15,802	12,388
<b>Total Liabilities</b>	<b>\$ 27,771</b>	<b>\$ 12,764</b>	<b>\$ 16,911</b>	<b>\$ 12,681</b>

Continued



Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Lowe Elementary School</b>	<b>Luhr Elementary School</b>	<b>Maupin Elementary School</b>	<b>John B. McFerran Preparatory Academy</b>
<b>Assets</b>				
Cash	\$ 5,804	\$ 18,895	\$ 2,842	\$ 24,209
Temporary cash investments				
Accounts receivable	1,220			20
Accrued interest receivable				
Due from Jefferson County Board of Education			10,883	2,216
Inventory	3,968	1,043	451	2,812
<b>Total Assets</b>	<b>\$ 10,992</b>	<b>\$ 19,938</b>	<b>\$ 14,176</b>	<b>\$ 29,257</b>
<b>Liabilities</b>				
Accounts payable	\$ 446		\$ 1,012	\$ 20
Due to Jefferson County Board of Education		\$ 290	767	
Due to students groups	10,546	19,648	12,397	29,237
<b>Total Liabilities</b>	<b>\$ 10,992</b>	<b>\$ 19,938</b>	<b>\$ 14,176</b>	<b>\$ 29,257</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Medora Elementary School</b>	<b>Middletown Elementary School</b>	<b>Mill Creek Elementary School</b>	<b>Minors Lane Elementary School</b>
<b>Assets</b>				
Cash	\$ 9,633	\$ 14,067	\$ 7,412	\$ 6,054
Temporary cash investments				
Accounts receivable	350		463	
Accrued interest receivable				
Due from Jefferson County Board of Education	150	7,457		
Inventory	234	1,637	699	1,693
<b>Total Assets</b>	<b>\$ 10,367</b>	<b>\$ 23,161</b>	<b>\$ 8,574</b>	<b>\$ 7,747</b>
<b>Liabilities</b>				
Accounts payable	\$ 572	\$ 115	\$ 314	\$ 1,195
Due to Jefferson County Board of Education				132
Due to students groups	9,795	23,046	8,260	6,420
<b>Total Liabilities</b>	<b>\$ 10,367</b>	<b>\$ 23,161</b>	<b>\$ 8,574</b>	<b>\$ 7,747</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Norton Elementary School</b>	<b>Okolona Elementary School</b>	<b>Portland Elementary School</b>	<b>Price Elementary School</b>
<b>Assets</b>				
Cash	\$ 10,853	\$ 4,920	\$ 1,877	\$ 4,007
Temporary cash investments			10,000	
Accounts receivable	2,608		257	
Accrued interest receivable			50	
Due from Jefferson County Board of Education	2,953	7,487	7,538	7,716
Inventory	1,606	2,526	2,600	1,280
<b>Total Assets</b>	<b>\$ 18,020</b>	<b>\$ 14,933</b>	<b>\$ 22,322</b>	<b>\$ 13,003</b>
<b>Liabilities</b>				
Accounts payable	\$ 1,120	\$ 551	\$ 57	\$ 30
Due to Jefferson County Board of Education		90		
Due to students groups	16,900	14,292	22,265	12,973
<b>Total Liabilities</b>	<b>\$ 18,020</b>	<b>\$ 14,933</b>	<b>\$ 22,322</b>	<b>\$ 13,003</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Rangeland Elementary School</b>	<b>Roosevelt Perry Elementary School</b>	<b>Rutherford Elementary School</b>	<b>St. Matthews Elementary School</b>
<b>Assets</b>				
Cash	\$ 9,898	\$ 17,359	\$ 8,566	\$ 9,339
Temporary cash investments				
Accounts receivable		360		
Accrued interest receivable				
Due from Jefferson County Board of Education	185	116	692	456
Inventory	<u>1,583</u>	<u>992</u>	<u>819</u>	<u>2,197</u>
<b>Total Assets</b>	<u><u>\$ 11,666</u></u>	<u><u>\$ 18,827</u></u>	<u><u>\$ 10,077</u></u>	<u><u>\$ 11,992</u></u>
<b>Liabilities</b>				
Accounts payable		\$ 15,030	\$ 349	\$ 1,570
Due to Jefferson County Board of Education				828
Due to students groups	<u>\$ 11,666</u>	<u>3,797</u>	<u>9,728</u>	<u>9,594</u>
<b>Total Liabilities</b>	<u><u>\$ 11,666</u></u>	<u><u>\$ 18,827</u></u>	<u><u>\$ 10,077</u></u>	<u><u>\$ 11,992</u></u>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Sanders Elementary School</b>	<b>Schaffner Traditional Elementary School</b>	<b>Semple Elementary School</b>	<b>Shacklette Elementary School</b>
<b>Assets</b>				
Cash	\$ 11,229	\$ 12,056	\$ 7,069	\$ 31,368
Temporary cash investments				
Accounts receivable			7,167	74
Accrued interest receivable				
Due from Jefferson County Board of Education				
Inventory	<u>1,215</u>	<u>791</u>	<u>1,124</u>	<u>407</u>
<b>Total Assets</b>	<u><u>\$ 12,444</u></u>	<u><u>\$ 12,847</u></u>	<u><u>\$ 15,360</u></u>	<u><u>\$ 31,849</u></u>
<b>Liabilities</b>				
Accounts payable	\$ 503	\$ 1,144	\$ 533	\$ 13
Due to Jefferson County Board of Education	5			
Due to students groups	<u>11,936</u>	<u>11,703</u>	<u>14,827</u>	<u>31,836</u>
<b>Total Liabilities</b>	<u><u>\$ 12,444</u></u>	<u><u>\$ 12,847</u></u>	<u><u>\$ 15,360</u></u>	<u><u>\$ 31,849</u></u>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Shelby Elementary School</b>	<b>Slaughter Elementary School</b>	<b>Smyrna Elementary School</b>	<b>Stonestreet Elementary School</b>
<b>Assets</b>				
Cash	\$ 7,125	\$ 918	\$ 30,977	\$ 13,058
Temporary cash investments			6,000	
Accounts receivable	94			42
Accrued interest receivable				
Due from Jefferson County Board of Education		7,758	5,568	
Inventory	1,646	4,712	1,737	410
<b>Total Assets</b>	<b>\$ 8,865</b>	<b>\$ 13,388</b>	<b>\$ 44,282</b>	<b>\$ 13,510</b>
<b>Liabilities</b>				
Accounts payable	\$ 507	\$ 350	\$ 1,913	
Due to Jefferson County Board of Education		2,500		
Due to students groups	8,358	10,538	42,369	\$ 13,510
<b>Total Liabilities</b>	<b>\$ 8,865</b>	<b>\$ 13,388</b>	<b>\$ 44,282</b>	<b>\$ 13,510</b>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Trunnell Elementary School</b>	<b>Tully Elementary School</b>	<b>Watson Lane Elementary School</b>	<b>Watterson Elementary School</b>
<b>Assets</b>				
Cash	\$ 2,951	\$ 29,389	\$ 27,658	\$ 10,016
Temporary cash investments				5,000
Accounts receivable	29	80		
Accrued interest receivable				5
Due from Jefferson County Board of Education	1,315	555		3,373
Inventory	<u>1,193</u>	<u>9,489</u>	<u>2,422</u>	<u>1,704</u>
<b>Total Assets</b>	<u><u>\$ 5,488</u></u>	<u><u>\$ 39,513</u></u>	<u><u>\$ 30,080</u></u>	<u><u>\$ 20,098</u></u>
<b>Liabilities</b>				
Accounts payable	\$ 340	\$ 926		\$ 1,533
Due to Jefferson County Board of Education	1,176	1,403		
Due to students groups	<u>3,972</u>	<u>37,184</u>	<u>\$ 30,080</u>	<u>18,565</u>
<b>Total Liabilities</b>	<u><u>\$ 5,488</u></u>	<u><u>\$ 39,513</u></u>	<u><u>\$ 30,080</u></u>	<u><u>\$ 20,098</u></u>

Continued

Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Wellington Elementary School</b>	<b>Wheatley Elementary School</b>	<b>Wheeler Elementary School</b>	<b>Wilder Elementary School</b>
<b>Assets</b>				
Cash	\$ 13,449	\$ 3,905	\$ 18,235	\$ 26,162
Temporary cash investments				
Accounts receivable	156	35		89
Accrued interest receivable				
Due from Jefferson County Board of Education		1,096	2,612	195
Inventory	593	480	1,506	52
<b>Total Assets</b>	<b>\$ 14,198</b>	<b>\$ 5,516</b>	<b>\$ 22,353</b>	<b>\$ 26,498</b>
<b>Liabilities</b>				
Accounts payable	\$ 170	\$ 127	\$ 2,931	\$ 3,335
Due to Jefferson County Board of Education	4			
Due to students groups	14,024	5,389	19,422	23,163
<b>Total Liabilities</b>	<b>\$ 14,198</b>	<b>\$ 5,516</b>	<b>\$ 22,353</b>	<b>\$ 26,498</b>

Continued



Combining Statement of Fiduciary Net Assets--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

June 30, 2004

	<b>Wilkerson Elementary School</b>	<b>Wilt Elementary School</b>	<b>Whitney M. Young Elementary School</b>	<b>Zachary Taylor Elementary School</b>
<b>Assets</b>				
Cash	\$ 10,738	\$ 7,637	\$ 10,875	\$ 41,278
Temporary cash investments				
Accounts receivable	850	2,450		
Accrued interest receivable				
Due from Jefferson County Board of Education	7		6,130	
Inventory	738	6,888	3,307	1,695
<b>Total Assets</b>	<b>\$ 12,333</b>	<b>\$ 16,975</b>	<b>\$ 20,312</b>	<b>\$ 42,973</b>
<b>Liabilities</b>				
Accounts payable	\$ 158	\$ 92		\$ 537
Due to Jefferson County Board of Education		188		
Due to students groups	12,175	16,695	20,312	42,436
<b>Total Liabilities</b>	<b>\$ 12,333</b>	<b>\$ 16,975</b>	<b>\$ 20,312</b>	<b>\$ 42,973</b>

See Independent Auditors' Report

Combining Statement of Cash Receipts and Disbursements

**Jefferson County Board of Education  
Elementary School Activity Funds**

Year Ended June 30, 2004

<b>Name of School</b>	<b>Cash Balance July 1, 2003</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Cash Balance June 30, 2004</b>
Atkinson Elementary School	\$ 14,395	\$ 33,972	\$ 37,538	\$ 10,829
Auburndale Elementary School	14,281	52,767	53,522	13,526
Audubon Traditional Elementary School	8,328	111,759	110,372	9,715
Bates Elementary School	27,643	84,628	82,649	29,622
Blake Elementary School	5,251	42,322	39,127	8,446
Bloom Elementary School	25,300	32,542	31,774	26,068
Blue Lick Elementary School	6,651	74,591	72,476	8,766
Bowen Elementary School	5,404	110,837	111,947	4,294
Brandeis Elementary School	10,695	222,397	219,780	13,312
Breckinridge Franklin Elementary School	17,372	40,588	44,593	13,367
Byck Elementary School	6,547	40,705	37,282	9,970
Camp Taylor Elementary School	7,806	45,455	42,788	10,473
Cane Run Elementary School	15,787	55,804	61,547	10,044
Carter Traditional Elementary School	15,096	134,209	121,115	28,190
Malcolm B. Chancey, Jr. Elementary School	4,535	106,679	101,883	9,331
Chenoweth Elementary School	25,045	57,230	64,037	18,238
Garvin H. Cochran Elementary School	11,940	35,026	33,789	13,177
Garland S. Cochrane Elementary School	12,290	27,281	30,706	8,865
Coleridge Taylor Elementary School	7,274	227,465	215,146	19,593
Coral Ridge Elementary School	24,860	60,435	61,023	24,272

Continued

Combining Statement of Cash Receipts and Disbursements--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

Year Ended June 30, 2004

<b>Name of School</b>	<b>Cash Balance July 1, 2003</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Cash Balance June 30, 2004</b>
Crums Lane Elementary School	4,845	20,686	19,842	5,689
Dixie Elementary School	3,435	57,824	55,817	5,442
Dunn Elementary School	26,234	136,286	131,531	30,989
Eisenhower Elementary School	9,501	59,517	56,346	12,672
Engelhard Elementary School	20,893	37,588	23,608	34,873
Fairdale Elementary School	7,652	63,430	43,184	27,898
Fern Creek Elementary School	12,348	113,772	116,147	9,973
Field Elementary School	11,683	69,343	72,989	8,037
Foster Academy	878	70,108	65,368	5,618
Frayser Elementary School	6,850	26,920	28,714	5,056
Gilmore Lane Elementary School	18,831	22,462	21,507	19,786
Goldsmith Elementary School	7,762	46,626	48,992	5,396
Greathouse Shryrock Traditional Elementary School	2,997	169,016	163,194	8,819
Greenwood Elementary School	24,407	58,560	57,346	25,621
Gutermuth Elementary School	12,415	57,541	55,685	14,271
Hartstern Elementary School	13,687	26,502	33,629	6,560
Hawthorne Elementary School	16,738	101,556	96,558	21,736
Hazelwood Elementary School	7,999	16,047	18,572	5,474
Hite Elementary School	23,399	118,912	120,779	21,532
Indian Trail Elementary School	27,745	124,495	121,861	30,379
Jacob Elementary School	4,555	68,752	64,433	8,874

Continued

Combining Statement of Cash Receipts and Disbursements--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

Year Ended June 30, 2004

<b>Name of School</b>	<b>Cash Balance July 1, 2003</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Cash Balance June 30, 2004</b>
Jeffersontown Elementary School	1,537	158,710	154,402	5,845
Johnsontown Road Elementary School	18,473	42,763	46,817	14,419
John F. Kennedy Montessori Elementary School	10,430	222,865	230,942	2,353
Kenwood Elementary School	4,453	68,400	64,972	7,881
Kerrick Elementary School	8,115	53,627	55,603	6,139
King Elementary School	4,179	57,570	54,660	7,089
Klondike Lane Elementary School	13,600	73,245	70,937	15,908
Laukhuf Elementary School	11,033	51,831	50,593	12,271
Layne Elementary School	14,113	72,539	70,631	16,021
Lincoln Elementary School	492	39,213	35,742	3,963
Lowe Elementary School	7,823	53,901	55,920	5,804
Luhr Elementary School	22,779	35,575	39,459	18,895
Maupin Elementary School	6,775	37,022	40,955	2,842
John B. McFerran Preparatory Academy	23,809	80,516	80,116	24,209
Medora Elementary School	19,959	87,369	97,695	9,633
Middletown Elementary School	8,657	137,242	131,832	14,067
Mill Creek Elementary School	4,931	42,541	40,060	7,412
Minors Lane Elementary School	3,909	34,494	32,349	6,054
Norton Elementary School	11,443	248,047	248,637	10,853
Okolona Elementary School	9,573	49,325	53,978	4,920

Continued

Combining Statement of Cash Receipts and Disbursements--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

Year Ended June 30, 2004

<b>Name of School</b>	<b>Cash Balance July 1, 2003</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Cash Balance June 30, 2004</b>
Portland Elementary School	12,413	49,632	60,168	1,877
Price Elementary School	8,521	50,935	55,449	4,007
Rangeland Elementary School	19,544	64,909	74,555	9,898
Roosevelt Perry Elementary School	6,736	67,420	56,797	17,359
Rutherford Elementary School	8,753	49,383	49,570	8,566
St. Matthews Elementary School	5,571	87,347	83,579	9,339
Sanders Elementary School	7,031	42,851	38,653	11,229
Schaffner Traditional Elementary School	13,789	34,962	36,695	12,056
Semple Elementary School	8,120	35,475	36,526	7,069
Shacklette Elementary School	29,519	76,342	74,493	31,368
Shelby Elementary School	8,273	34,882	36,030	7,125
Slaughter Elementary School	640	48,324	48,046	918
Smyrna Elementary School	21,536	169,742	160,301	30,977
Stonestreet Elementary School	13,977	69,268	70,187	13,058
Trunnell Elementary School	8,057	64,526	69,632	2,951
Tully Elementary School	20,860	240,092	231,563	29,389
Watson Lane Elementary School	25,301	56,230	53,873	27,658
Watterson Elementary School	9,996	80,101	80,081	10,016
Wellington Elementary School	7,221	83,861	77,633	13,449
Wheatley Elementary School	3,904	35,666	35,665	3,905

Continued

Combining Statement of Cash Receipts and Disbursements--Continued

**Jefferson County Board of Education  
Elementary School Activity Funds**

Year Ended June 30, 2004

<b>Name of School</b>	<b>Cash Balance July 1, 2003</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Cash Balance June 30, 2004</b>
Wheeler Elementary School	16,468	106,496	104,729	18,235
Wilder Elementary School	28,774	178,193	180,805	26,162
Wilkerson Elementary School	9,686	50,687	49,635	10,738
Wilt Elementary School	12,161	60,838	65,362	7,637
Whitney M. Young Elementary School	8,206	39,610	36,941	10,875
Zachary Taylor Elementary School	23,938	125,882	108,542	41,278
<b>Total</b>	<b>\$ 1,076,432</b>	<b>\$ 6,713,084</b>	<b>\$ 6,621,006</b>	<b>\$ 1,168,510</b>

**Report Required by *Government Auditing Standards***

**Independent Auditors' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***



**Independent Auditors' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with Government Auditing Standards**



Members of the Board  
Jefferson County Board of Education  
Louisville, Kentucky

We have audited the combined statement of fiduciary net assets of the Elementary School Activity Funds (the "Activity Funds") of the Jefferson County Board of Education (the "Board") as of June 30, 2004, and have issued our report thereon dated September 28, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Activity Funds' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the combined statement of fiduciary net assets and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the combined statement of fiduciary net assets being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Activity Funds' combined statement of fiduciary net assets is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of the members of the Board, management, the Kentucky Department of Education, and federal awarding agencies and pass-through agencies, and is not intended to be and should not be used by anyone other than these specified parties.

*Stollman & Copay PSC*

Louisville, Kentucky  
September 28, 2004